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U. S. DEPARTMENT OF AGRICULTURE

Looking Ahead With Feed Grain and Livestock Farmers

WE KNOW A MILLER who runs an old-fashioned grist mill. For weeks last summer he had the stones of his biggest mill hoisted back and was at work "sharpening the rocks." Only his smaller mill was kept in operation during the slack summer season to make meal for the few farmers who brought their corn.

"But I've got to hurry and get these rocks ready for fall," the miller said, "farmers soon will be gathering their corn and there'll be 4 times as much to grind." Then he added, "If I have everything in good shape, and running smooth, I'll be ready for good business when demand picks up."

This thought of getting ready, in slack seasons, to meet a stepped-up demand later on might be taken as a key to some suggestions offered to feed grain and livestock farmers at the recent Annual Outlook Conference held in Washington. The 21-page report, presented by farm management economist C. W. Crickman, U. S. Department of Agriculture, gives a thoroughgoing analysis of the situation faced by feed grain and livestock farmers. The report, available for the asking, is of interest to farmers everywhere,

especially to Corn Belt and range country operators.

"Getting Ready Now"—What It Means

A buildup falls short of the excellence of the full report. Even so, it may be worth while to outline the more important facts—at least enough for us to see what is meant by getting ready now for the years ahead.

In the first place, *farmers face a transition period.* We might as well admit that, barring another national emergency, conditions for farmers during the next few years are going to be different. There was an unusual demand when we were fighting aggression and spending big money to build up our defenses. Now that that is tapering off, farmers find themselves in the position of having to make some adjustments in their production to get down to a more normal peacetime basis, else they will produce more than the market will take at worthwhile prices.

Farmers have been turning out feed grains and meat in record or near record quantities. Beef output in 1953 is

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With Feed Grain and Livestock Farmers

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expected to total more than 12 billion pounds, 2 billion above the previous high reached in 1947. Production of all meat in 1953 may exceed 24 billion pounds, 4 percent greater than in 1952 and a peacetime record. Carryover stocks of corn are near record levels and are expected to increase to even higher levels in 1954. And all feed grains—corn, oats, barley and sorghum—are accumulating; total supply this year expected to be near the all-time 1950 record of 30.6 million tons.

Feed grain producers have price support from Uncle Sam, but inherent in price support policy, and written into the law, is the necessity of holding production within reasonable bounds. Acreage allotments for the 1954 corn crop in the commercial corn area are in the offing; yet, based on experience with acreage controls in 1950, we may expect total production of feed grains in 1954 to differ little from the 1953 output . . . assuming average yields and remembering there will be some additional production of feed grains this year on land that *because of acreage allotments and marketing quotas* will be diverted from wheat and cotton.

In describing the changing conditions faced by farmers who produce feed grains commercially, much more could be said but it boils down about like this—that *you will be making changes in your farming plans to adjust production more in line with current needs.*

This leads to the next point in our summary—which has to do with *future demand.*

More Demand in the Years Ahead

Mr. Crickman, in his analysis, points out that although our present demand is a peacetime demand, it is a strong demand bolstered by good business and a high level of employment. Recent declines in prices of farm products are chiefly attributable to upward fluctuations in the volume of marketings, or to loss of export marketings, rather than to a decline in domestic demand.

"Consumer purchasing power and buying" he says "do not show wide-

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spread signs of faltering. Even though the economy should drop somewhat below top levels part of the time, a period of expanding business and relatively stable prices is likely to follow in which production would move upward with the increase in population and employable workers."

Thus we are brought to a very significant statement in connection with future demand; namely, that by 1960 we are likely to have over 16 million more people in the United States than in 1953, an increase of over 10 percent. This means that if consumer purchasing power *per person* holds near present levels, the total domestic market for food should be expanding over the next few years. It also means that if grain and livestock farmers *maneuver* to get ready during the next year or so, they may be hopeful of producing for an expanding market thereafter.

The third and last point, is that *there are some important conservation and farm management practices that it will pay farmers to take advantage of for lower costs and greater efficiency.* To do these things takes time, and right now, in this transition period, is the time to begin, so that by 1960 or thereabout, the investment in better ways of farming will begin to pay off in higher average yields at lower costs.

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Now That Cotton Farmers Have Voted Marketing Quotas . . .

COTTON FARMERS, by their vote on December 15, have decided to use marketing quotas in growing and marketing their 1954 crop. In the referendum held for growers of upland cotton, about 94 percent of the 475,000 farmers who voted favored using the quota, which means limitation of the amount of cotton each farmer may sell without penalty. Now that quotas have been approved in the referendum, farmers who cooperate will have price support available at 90 percent of parity.

Cotton marketing quotas and acreage allotments are provided by farm program legislation as a means of adjusting the quantity of cotton available for marketing to the prospective demand and of dividing the available market so that each grower may receive his fair share. Under the law, the Secretary of Agriculture was required to proclaim a national marketing quota and a national acreage allotment for upland cotton because the total supply was found to exceed the normal supply. To be effective, marketing quotas had to be approved by at least two-thirds of the farmers voting in the referendum. Quotas and allotments were last used for the 1950 cotton crop.

Under present law, the national marketing quota, for the 1954 crop is 10 million bales. When converted to acreage, based on the average yield of 268 pounds per planted acre, the quota provides a national acreage allotment of 17,910,448 acres. This national quota is divided among the several cotton-producing States and then among the individual farmers who grow upland cotton.

Secretary Benson has stated that he will urge Congress to amend the law so as to increase the allotment to about 21 million acres.

Some Questions Answered

1. Are any farms exempted from marketing quotas for upland cotton?

No. Any farmer who grows upland cotton in 1954 will be subject to quotas.

2. What is the marketing quota for my farm for 1954?

If the acreage of cotton on the farm does not exceed the farm acreage allotment, the farm marketing quota is the entire production of cotton on the farm. If the acreage of cotton on the farm is in excess of the farm acreage allotment, the farm marketing quota will be the total production of cotton on the farm less the "farm marketing excess."

3. What is the farm marketing excess?

The farm marketing excess is the excess cotton production which is subject to penalty.

4. How is the farm marketing excess determined?

The farm marketing excess will be the normal yield per acre established for the farm multiplied by the acreage of cotton on the farm in excess of the allotment. If the actual yield per acre is less than the farm's normal yield and the producer establishes this fact, the farm marketing excess will be reduced to the amount by which the total production on the farm exceeds the normal yield per acre multiplied by the acreage allotment.

5. Can carryover cotton from previous crops be marketed without penalty?

Yes; except 1950 cotton subject to penalty on which the penalty has not been paid.

6. Will the farmer who has overplanted be permitted to adjust the acreage planted to cotton to the farm acreage allotment?

Yes; the Secretary will issue regulations under which such adjustment can be made.

7. What is the amount of the penalty on the farm marketing excess?

The penalty per pound will be 50 percent of the cotton parity price as of June 15, 1954.

8. How will the penalty be collected?

The producer may pay the penalty to the county committee and get a marketing card. If he does not do this,

the person who buys the cotton from the farmer must collect the penalty and pay it to the county committee for transfer to the United States Treasurer.

9. After the penalty has been paid on the farm marketing excess, is the producer liable for further penalty?

No; after the penalty is paid to the county committee, the farmer will receive a marketing card, which entitles him to market all his crop without paying further penalty. Until the penalty is paid, a lien on the entire crop of upland cotton produced on the farm shall be in effect in favor of the United States.

10. When does the penalty become due?

(a) When cotton is marketed from a farm for which the penalty on the farm marketing excess has not been paid; or (b) on a date established by the Secretary of Agriculture.

11. What happens if the penalty is not paid when due?

(a) No marketing card will be issued for the farm until the penalty on the farm marketing excess is paid. (b) Court action may be taken against the producer or person liable for the payment of the penalty to enforce collection. (c) The producer will be liable also for interest on the penalty at the rate of 6 percent per annum from the date the penalty becomes due until it is paid. If cotton is marketed without being properly identified by a marketing card and the penalty is not remitted by the buyer, the buyer will be liable for the penalty and for interest thereon from the date of his purchase of the cotton.

12. If a farmer is dissatisfied with his farm marketing quota, may he appeal?

Yes; within 15 days after the mailing of his quota notice by the county committee, any farmer may ask for a review of his case. A review committee of three farmers, appointed by the Secretary of Agriculture, will receive the evidence and decide whether the quota was established in accordance with the regulations. If the farmer is not satisfied with the review committee's decision, he may, within 15 days, institute proceedings for a review of the case by a court.

Outlook Highlights

. . . JANUARY 1954

DEMAND FOR FARM PRODUCTS in the United States continues strong. Although business activity in recent months has been somewhat below the peak reached in July, it still remained higher in the fall than during the first half of 1953.

Livestock and Meat

Fewer cattle are on feed for winter and spring markets than a year ago. A seasonal decline in prices for fed cattle is unlikely this winter. Prices of sheep and lambs probably will strengthen, as lamb feeding also is lower than last year. Hog prices have advanced seasonally and will remain higher this winter than a year ago.

Prices of stocker and feeder cattle, up considerably from their October low, are not expected to change much from present levels until demand develops for cattle to go on grass in the spring.

Dairy Products

With prospects that milk production will continue relatively large this winter, prices of manufactured dairy products probably will continue near the equivalent of support levels. The annual rate of milk production reached an all-time high in November of 125.6 billion pounds, up 4.5 percent from the previous high for the month a year earlier.

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13. What will be the level of price support?

Now that quotas have been approved by farmers in the referendum, the level of price support will be 90 percent of parity on the 1954 crop of upland cotton. If quotas had not been approved the level of support would have been only 50 percent of parity. No price support will be available to noncooperators.

14. Who is a "cooperator"?

A producer on whose farm the acreage of upland cotton in 1954 does not exceed the farm acreage allotment.

"Bert" Newell's Letter . . .

TO CROP AND LIVESTOCK REPORTERS

IT HAS BEEN SUGGESTED that my letter ought not to be more than one page long. As a matter of fact, I guess this is a pretty good suggestion. I do tend to ramble a bit, and take more space than I need to. Of course, I could brief it down like the old story of "off again, on again, gone again, Finnegan." Or, looking back at last month's Christmas letter, I could boil that down pretty short by saying, "Christmas is a great institution. We enjoyed working with you. Hope we have been of some help. Merry Christmas and Happy New Year." Well, I can't quite go for that much of a shortening of the letter because after all there's an awful lot in the way some things are said.

I knew a fellow who could say "Hi Bill" or "Hello Jim" in such a highfalutin' sort of voice that you would think he had said "Hi Bill, you worm." On the other hand, another person could say "Hi Bill" in a way that just made you feel he'd added "You're a swell guy and I'm sure glad to see you." Now, a funny thing that I have noticed is that lots of times the person with an unfortunate manner in his address doesn't even know it. We had a man working with us once that could make people argue with him even when they knew he was right, and he never could understand why.

Come to think of it, I guess we are guilty too. We often write things to you in such squeezed-up space that it isn't any wonder we are sometimes misunderstood.

Take one of our questionnaires, for example. You get a little "ole" note that says at the top "intentions to plant"; and down underneath says "Corn, oats, potatoes, etc.", and that's all. Some fellows say, "Well, he has got a nerve, that's my business and not his." And you know what happens to the questionnaire. Well, sometimes I don't blame them. But, I declare, I don't know what to do about it.

I'd just bet though that if you and I could sit down across the table from

each other and start talking about farm plans we would agree we could do a lot better job of planning next year's operations if we knew something about what a lot of other farmers planned to do. Then we would probably come up with a plan that we should ask 75, 80, or 100 thousand farmers what they are going to do. After that someone will have to add up the replies and put together a report.

Now that's quite a little chore, and before getting through we'd find that we had about a couple of dozen questions to ask each farmer. And, first thing you know, we end up with a lot of fine print on a schedule. To cover that much territory questions have to be pretty short and snappy and some fellows who haven't thought about the problem much are liable to get sort of sore about the whole thing and say "The heck with him, it's none of his business," and that's the end of it. But, of course, most of you know that it would be impossible to write an individual letter to everyone we have on the list, and most experienced reporters realize that those questions have to be short . . . and the questions don't sound like we would like to have them if we had more space or an opportunity to discuss all the "whys" and "wherefores" with each one of you.

Well, now you see what I mean. The way you say things is important. I get so tired of squeezing things up in the least possible space sometimes I wonder if we really understand each other. There is one thing I would like to get across to every one. Our object is to help. If some of our questions seem short and kind of abrupt, we have not intended to be unpleasant or to talk down our nose to anyone.

My page is used up. I guess you could sum it up with "Smile when you say it." We try to, even on a short questionnaire.

S. R. Newell, Chairman
Crop Reporting Board

Reducing Injuries to Early Irish Potatoes

TOO OFTEN when potatoes reach the retail store they are not the product that consumers want. A given lot of potatoes usually has a high percentage of defects. Many of these defects result, either directly or indirectly, from physical injuries many of which occur before the potatoes leave the farm.

How can the number of injuries to early crop potatoes be reduced? In an effort to answer this question, the agricultural experiment stations of Alabama, Florida, North Carolina, South Carolina, and Virginia, and the Bureau of Agricultural Economics and Plant Industry, Soils and Agricultural Engineering, U. S. Department of Agriculture, made a study of the problem. The resulting report, "Reduction of Physical Injuries to Early Irish Potatoes During Digging and Picking Up," by B. J. Todd and R. E. L. Greene, was recently issued as Bulletin 32 of the Southern Cooperative Series.

The answer is a simple one so far as digging and picking up is concerned. It has two parts:

First, modification of diggers. If these machines were modified so that offsetup links of the chain were covered with rubber tubing and if protective flaps of belting were attached to the frame to shield the potatoes from the link ends, injuries could be reduced from 7 to less than 1.5 pounds per hundredweight for Sebagoes and from about 24 to about 5 pounds per hundredweight for Pontiacs.

Second, using rubber-coated wire baskets as pickup containers, instead of wooden hampers or unprotected wire baskets, would reduce injuries to 3 pounds per hundredweight—from 12 and 6 pounds, respectively, when plain wire baskets and wooden hampers are used.

In the long run growers should gain a great deal by reducing defects and thus building a reputation for high-quality potatoes. If you want to get more information on the subject, get a copy of this new bulletin by writing to one of the five experiment stations: the Alabama Agricultural Experiment Station, Auburn, Ala.; the Florida Agricultural Experiment Station, Gainesville, Fla.; the North Carolina Agricultural Experiment Station, Raleigh, N. C.; the South Carolina Agricultural Experiment Station, Clemson, S. C.; or the Virginia Agricultural Experiment Station, Blacksburg, Va.

Esther M. Colvin

Outlook Highlights

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Fats and Oils

Soybean prices in December had jumped about 20 percent since early September. Domestic and export demand has been strong and the crop is the smallest since 1949.

A large crop of cottonseed was indicated by the December 1 cotton production estimate.

Feed Grains

Some further strengthening of feed prices, from the seasonally low fall levels, appears likely early this year. Although prices of feed grains and many of the byproduct feeds had increased by December, feed grain prices had remained below support levels and were down from a year earlier.

Wheat

Supplies of wheat the world over are generally abundant. The world crop is about 7 billion bushels, 4 percent less than last year but a fifth above the 1945-49 average. Carryover in the principal exporting countries was over 1.2 billion bushels, double that of a year earlier.

Supplies have increased in importing as well as exporting countries. World trade in wheat in the 1953-54 marketing season is likely to be down 10 percent from last year. Exports

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More Part-time Farms

PART-TIME FARMING is on the increase. Nearly one farmer out of every four worked at an off-farm job 100 or more days out of the year in 1949. Thirty years ago only one out of ten farmers worked this much at an off-farm job or business.

And the trend toward more part-time farms and rural living is likely to continue in the coming years. Growing industrialization, as well as improvements in transportation and in rural home facilities, all point to an increase in part-time farming. As the number of older people in the population increases, and as modern conveniences become available, rural areas will become increasingly attractive for retirement, and as a place to live for people engaged in nonfarm occupations.

A part-time farmer lives on a farm

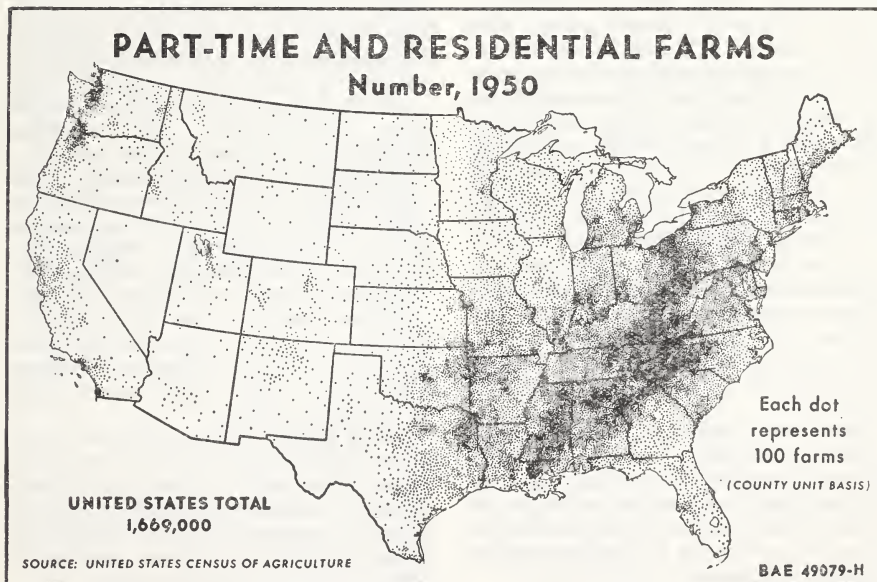
but he gets a big part of his income from sources other than his farm. He may work in industry in a nearby town, or carry on a profession, or do hired work on nearby farms. Or he may have investments, an annuity, or a pension.

Most of the part-time farming operations are included in the 1950 census economic classification of farms as *part-time farms* and *residential farms*.

A part-time farm, according to the census, had sales of farm products in 1949 of from \$250 to \$1,199 with the farm operator working at an off-farm job 100 or more days out of the year; or the farm could have farm sales of from \$250 to \$1,199 with income of the family from off-farm sources greater than the sales from the farm.

Residential farms were those with sales of farm products that amounted to less than \$250. Most of the operators of residential farms, as well, reported that they worked at an off-farm job 100 or more days and that income from off-farm sources was greater than farm sales.

Sales of farm products usually provide a relatively small part of the cash income available to families on these



farms. Average net farm income (sales of farm products less cash expenses of farming) amounted to about \$200 on part-time farms in 1949. The average residential farm produced "in the red" by about \$100.

Cash farm income, however, does not take into account the value of farm products produced and consumed in the home. Many of the operator families on these farms have home gardens, use farm produced dairy and poultry products, or butcher meat animals for home use.

Most Cash Nonfarm

But it is the income from nonfarm jobs and businesses that provides most of the cash income. The earnings of the operator-families from nonfarm jobs and businesses averaged over \$2,200 in 1949.

There were about $\frac{2}{3}$ million part-time farms counted in the Census of 1950 and a million residential farms. Together, these two groups made up a third of all farms counted by the census in 1950.

The dot map on page 7 shows where the part-time and residential farms are located. Some are found in nearly every part of the country. Many are near large cities and in industrial regions. Most of them—about two-thirds—are in the South. There are heavy concentrations in the coal mining areas of the Appalachian and Cumberland Mountains where many coal miners do a little farming on the side. And throughout the Appalachian Valley and the Piedmont, textile and other manufacturing industries are located in numerous small towns and villages.

In the South, cities are smaller. Industry is more decentralized and tends to draw more heavily from a rural population. A milder climate makes commuting to off-farm jobs more feasible than in less temperate parts of the country.

Also, the South has a larger than proportionate share of small farms. Operators of small farms find part-time farming particularly attractive since, in many cases, the off-farm job requires little or no change in the amount of farming carried on.

Jackson V. McElveen

Winter Burns Chiefly Involve Farm Youth

FOR ALL of their usefulness, comfort, and cheer, winter fires in farm homes have their tragic aspect. Newspaper accounts frequently tell of entire farm families who lose their lives as a result of fires quickened with kerosene. They also tell of both young and old farm people who fall into unguarded, open fireplaces which are commonly used in the winter. Such accidents occur particularly in the South, where few farmhouses have central heating systems.

A study of fatal accidents from burns to farm and rural people in South Carolina, indicates that the most hazardous period is during the winter months, and that loss of life chiefly involves small children—for example, infants who are left unattended.

Most fatalities from burns occur in the home. But a few occur in fighting woods, brush, and grass fires or when motor vehicles or tractors catch fire. Some occur when gasoline is spilled on hot engines while tractors are being refueled. A total of 70 percent of the South Carolina fatalities occurred when farm homes burned. Most of these deaths occurred in families of sharecroppers, tenants, and hired men. Fire department services were available in only a few instances, and then, because of poor communication systems, the fire trucks usually arrived too late.

About a fourth of the South Carolina fatalities resulted from the misuse of kerosene, either in quickening smoldering coals or from exploding kerosene stoves or lanterns. A few were caused by scalding water.

Many small children under the age of 5 were burned to death when left alone in the home, either because their clothing caught fire while they were playing too near open fireplaces or stoves, or when their homes caught fire while their parents were away.

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With Feed Grain and Livestock Farmers

We have said, (1) that grain farmers will be easing up a little in production . . . curtailing and diverting acreage; (2) that nothing much but *oversupply* is pushing prices down . . . plenty of purchasing power here at home and much more a few years from now, because there'll be more people to buy food; and (3) that now is the time to make constructive changes in the way we farm "to get ready" for increased demand in the years ahead.

Now, let's hear some of the suggestions that Mr. Crickman makes in connection with this third point.

He believes that a beginning on the "longer-time desirable shifts" can be made in 1954 by seeding more acres of grasses and legumes this spring.

Looking beyond next year, if more of the producers of feed grains who operate farms on which erosion prevention and soil improvement is a problem should plan and carry out improved crop rotations and crop production practices such as the use of fertilizer on their hay and pasture land, they would in a few years have a system of farming that would provide larger incomes for themselves; and at the same time, they would contribute to a better balance in total output of feed and livestock products.

Throughout the Corn Belt, especially in the more rolling parts, thousands of neglected and badly run down farms dot the countryside in areas of high priced and potentially fertile land. Rehabilitation of these neglected farms through a program of erosion control, fertilization, and livestock farming, would reduce feed grain acreage and production during the 3- or 4-year transition period because the foundation of an erosion control and soil improvement program is a crop rotation that balances grain crops with grasses and legumes and a livestock system that includes roughage-consuming animals for profitable use of the protective forage crops. But as the improved practices become reflected in higher yields and more efficient operations total production and returns from the farm

would be higher than under the present exploitive system of farming.

In contemplating such shifts in crop and livestock production, it should be borne in mind that the larger outputs would not come to market immediately. It takes 2 or 3 years to get a good pasture established. And a reliable feed supply must come ahead of more livestock. Therefore, most of the increase in cattle marketings from farms on which herds would be expanded would not take place for 4 to 5 years. By that time, due to population growth, the total demand for meat is likely to be higher than it is today, provided business activity and employment remain at high levels.

The shift in the direction of grassland farming and more livestock cannot be made profitably with the haphazard practices that many farmers traditionally have used in growing and harvesting their hay and pasture crops. Those who do the job successfully use the best adapted seeding mixtures; they apply lime and fertilizer where needed; and they use harvesting methods which conserve the quality of the hay and hold down costs of getting it into storage. They also fully utilize their hay and pasture crops with the right kind of livestock.

The changeover takes considerable new capital, and some loss of income is difficult to avoid during the transition period. Many farmers who would make the shift therefore would need assistance in the form of credit adjusted to their needs. Conservation payments also would facilitate the shift.

Would Need More Meat and Feed By 1960

Suppose we look ahead to 1960 at the balance in production of meat animals and feed crops that may be needed to supply consumers' demand at approximately the 1953 level of prices. Mr. Crickman suggests looking 5 or 6 years ahead because farmers would need a few years to make some of the adjustments in crop and livestock production that would be needed. Crop and livestock adjustments started in 1954 would not become fully effective for several years.

If employment is high by 1960, per capita consumption of meat might be about 148 pounds. This would be 4

pounds above 1952 but 5 pounds under 1947 and 3 pounds under that indicated for 1953. A normal distribution of this total of 148 pounds would be: Beef and veal, 77 pounds; pork, 67 pounds; and lamb and mutton, 4 pounds. Seventy-seven pounds of beef and veal would be about 7 pounds under this year, and 67 pounds of pork would be 4 pounds above a 15-year low of 63 pounds in 1953. For a population of 176 million by 1960, and assuming the per capita consumption projected above, 13.7 billion pounds of beef and veal, 12.2 billion pounds of pork, and 0.7 billion pounds of lamb and mutton would be needed to supply the domestic market, plus small exports.

Numbers of cattle and sheep on farms and the annual pig crops would need to increase above present levels to provide this large output of meat. The number of cattle and calves on farms might need to be increased 5 or 6 percent because average slaughter weight per head would likely drop somewhat from the record levels of the last four years when an unusually large proportion of cattle were marketed from feedlots. The number of sheep and lambs would need to be increased about 10 percent. The size of the annual pig crop would need to return to about the 1951 level of 102 million head.

Now let us look at what these projected numbers of livestock might mean in terms of feed production by 1960.

First, it would mean that several million more acres of hay and pasture would be needed to support the larger herds of beef cattle and sheep. If, for instance, a major part of the increase in cattle and sheep were to take place in the areas where land is likely to be diverted from wheat and cotton, as much as 15 to 20 million additional acres of hay and pasture would be needed. If a shift to grassland of this magnitude were made it would tend to balance production of wheat and cotton with available markets. Second, it means that the annual quantity of feed grains used for feeding hogs would be 6 or 7 million tons more than will be used this year, and the total annual domestic disappearance of feed grains would be about the same as the production in 1953. Exports of feed grains in recent years have averaged about 4.5 million tons.

Thus, if consumer purchasing power

can be maintained (or regained after a brief relapse) it does not appear likely that feed-livestock producers are confronted with chronic excess productive capacity. At least the situation should be manageable within a framework of the kind and extent of adjustments that many individual farmers will need to make during the next few years to hold down operating costs and to maintain or improve their soils and other productive resources.

Suggestions To Ranchers

Cattle ranchers have been hit hard by the declining prices they have received for calves and yearlings in the last two years. Severe drought in the Southern Plains has increased operating expenses for feed and has forced heavy selling of breeding stock at distressed prices from some areas. Additional investments in equipment and greater dependence on hired labor on many ranches while business was expanding, together with rising prices for labor and materials have further reduced net incomes.

As cattle numbers level off, the supply of beef will tend to stabilize. This suggests that cattle prices may steady and after some hesitation trend upward slowly, provided demand for beef continues strong. *Producers therefore should plan to keep their herds of good producing cows intact where the supply of feed is adequate or can be increased by improvement of grazing and hay lands.* It may be necessary, however, in many cases to save as much as possible on hired labor, and to curtail the recent upward trend in investment in new equipment.

Sheep ranchers are in about the same position as cattle ranchers, except that they may find it more difficult to cut back on hired labor expenditures. Many ranchers, however, could more fully utilize the services of the herder by running larger flocks and thus lower unit costs of output of lambs and wool.

Hog-Beef Cattle Farms

Operators of *hog-beef fattening* farms who reduce their acreage of corn in 1954 would probably choose oats as the chief use of the land diverted from corn. Soybeans are not an important crop in the areas where cattle feeding is concentrated. Moreover, substitu-

tion of oats for corn would help to maintain the production of feed grains on farms on which all of the output usually is fed.

Those who plan to shift into better long-time systems of farming during the next few years probably would find that a 5-year rotation of corn, corn, oats, hay, and pasture, supplemented with contour cultivation on rolling land, would be needed as the foundation of a soil improvement program. This cropping system would reduce the acreage of corn about 10 percent. But use of fertilizer where needed and improved practices in the production of hay and pasture would in a few years bring total feed production up to present or higher levels. The additional hay and pasture—from the increased acreage and the higher yields per acre—probably would be used more generally for summer fattening of cattle on pasture, with grain at the end of the feeding season. Either more cattle could be fed or the number of cows and stock cattle could be increased. The production of hogs probably would be cut back temporarily; but, as the benefits of the soil improvement program become reflected in the yield per acre of grain crops, the total production of these crops on the farm would be about the same as before the reduction in acreage.

Most farmers on *hog-beef raising* farms probably would not be especially influenced by a corn program in 1954. They feed all of the corn produced and would not likely be interested in a loan on part of the crop. Those who would shift some land from corn to other crops probably would choose oats, soybeans, or hay and pasture.

The longer-time adjustment problem on most farms of this type does not ordinarily involve much change in the crop rotation, except to shorten it so that grasses and legumes are reseeded at shorter intervals. Then corn would not be planted on the same land for two or more years in succession. This would mean some increase in the acreage of oats on some farms to provide a nurse crop for the more frequent seeding of grass.

The chief problem is better fertilization and crop and pasture management practices to increase productivity, especially of the large acreages of hay and

pasture. The efficiency of operation of the beef cattle enterprise on many of these farms could be increased considerably by improved grassland farming.

Cash-Grain Farmers

A majority of *cash-grain* farmers would participate in a corn program in 1954 in order to get the benefits of a corn loan. The land diverted from corn (and wheat under the wheat program) probably would be divided between soybeans and oats, with more increase in soybeans than oats.

Many cash-grain farmers who have rolling land or impermeable soils would develop a more profitable system of farming in a few years if they substituted grasses and legumes for a part of their corn acreage and stepped up their use of fertilizer and other improved soil and crop management practices.

After a few years the reduction in the production of corn would not be proportional to the reduction in corn acreage. And the total production of grain and forage in terms of feed units would be greater. If livestock were added to consume the additional forage, net farm income would be higher than for the more strictly cash-grain system of farming. If the operator wants to add livestock primarily to use the additional forage, he would likely choose yearling steers which would be wintered chiefly on hay, pastured during the early summer and finished for market on grain in a drylot. If instead the beef cow herd were increased to use the additional forage, the size of the hog enterprise would also likely need to be increased to maintain volume of business and full utilization of the labor force on the farm.

In making the transition to a more normal peacetime basis, *all farmers* will have to watch costs more closely in all parts of their farm business. It now appears unlikely that they will need to retrench sharply in most improved techniques, such as use of fertilizer, balanced livestock rations, and pest and disease control programs. But rising costs for hired labor and equipment may make some rearrangement of the system of farming necessary so as to economize on these large items.

End

Big Change in Haymaking

... Ways For Further Efficiency
In the Works

RAPIDLY, and in all sections of the country, farmers are turning from the older harvesting methods to the pickup baler method. Their wide acceptance of the pickup baler indicates that up to now it is the most satisfactory all-round method yet devised for handling hay at harvest time—a generally long, hard, and hot job on most farms.

This does not mean that all hay is harvested by the pickup baler method. Large quantities of wild and other hay in the dry farming areas are stacked with modern equipment and fed locally. Little of such hay is now baled at harvest time. Hay chopping has increased with the adoption of field forage harvesters which were developed mainly for harvesting grass and other silage crops. The use of buck rakes, stackers and blowers has increased in some humid areas. And some hay in unmechanized areas still is handled by hand or with loaders, and with power forks for unloading.

But the big change in hay harvesting methods has come since the development of the automatic-tie pickup baler. In the comparatively short space of 14 years, 1939–1953, pickup baling increased from 2.5 percent of the total hay crop to approximately 66 percent (see table). As the size of the crop increased during that time, the actual tonnage so handled increased even more. Pickup balers were used to bale about 68 million tons of hay in 1953; only 2 million tons in 1939.

Reasons for Popularity

Several reasons may be noted for such wide acceptance of the pickup baler.

Pickup baling does away with much of the hard, unpleasant work of handling a heavy, bulky crop in the busy season of hot summer. No physical effort other than that of handling the

machinery is required while the hay is being cut, raked, and baled. Frequently the bales are delivered directly from the baler to a wagon or trailer where they are stacked by hand. The bales usually weigh from 40 to 60 pounds when baled for local consumption, and are easily handled by one man. They may be unloaded and stored in several ways, often being elevated to the mow by means of mechanical elevator or power fork. Storing the bales in helter-skelter fashion, often done, especially in humid areas, requires little or no labor for mowing them away. When stored this way better circulation of air is permitted and further curing is possible. Storing the bales in this manner also lessens the possibility of overloading the mow.

Pickup baling is a type of farm operation which enables small hay producers to benefit from the use of the more costly haying equipment. Once the hay is in the windrow, custom operators are available most everywhere for baling the crop at a stipulated charge per bale. Often, these custom operators are local farmers. Many do enough haying for others, in addition to their own, to make it profitable to own a baler.

Although not a continuous operation, hay harvest extends over a long season. During the period beginning in May and ending in September, the farmer in the central portion of the United States will harvest 2 or 3 crops of alfalfa from the same field. To the north of him, where the season is shorter, about 2 crops will be harvested, and to the south of him the longer growing season will enable the farmer to harvest 3 to 4 crops. In parts of Arizona and California as many as 5 or 6 crops of alfalfa will be harvested in a single season.

Thus, a long work season and full use of the baler enables baler owners to harvest at a reasonable cost. In fact, charges per bale made by regular custom operators now are so competitive that the farmer with only a moderate amount of hay to bale cannot afford to own a baler, if costs alone are considered.

There are considerations other than baler costs, however, such as procurement of a high quality product by harvesting the crop well and at exactly the right time.

Automatic pickup balers save labor over the older harvesting methods. A ton of hay will require, on the average, about 3 man-hours when taken as long loose hay from windrow to storage with hay loader and power fork. This compares with only 2 hours if handled with automatic pickup baler and unloaded with power fork or elevator. And if the hay is stored as long loose hay, then baled, and loaded for shipment, about 6 man-hours per ton will be required as against 2 hours when taken direct from windrow with pickup baler and truck. These comparisons are for harvesting where baling is popular. They do not apply to the dry farming areas where large tonnages of wild and other hay continue to be stacked in the open with modern buck rakes and stacking equipment.

Closely related to saving hours is the saving of the time of the farmer's regular workers in the actual baling operation when the hay is baled by custom operators. It is true that farmers who depend on custom balers do not always get their hay baled precisely when they most desire. This may be one reason why sales of balers have been increasing more rapidly than the quantity of hay baled.

Baled hay is easily and quickly handled, stored, and fed. Consequently, a large tonnage can be put under cover in a short time, a desirable feature of hay harvest in humid areas. Once the hay is cured, an average modern automatic baler can bale 3 to 3.5 tons of

hay per hour, and some of the large balers can bale much more. If it is hauled to storage as it is baled, 30 to 35 tons can be put under cover with a normal crew and baler in a day's operation.

Baled hay can be stored quickly and with a minimum amount of labor in hay lofts previously used for storing long loose hay. Sometimes, however, it will be necessary to strengthen the supports of such mows or to be careful that they are not overloaded.

But baled hay need not be stored in conventional mows. It can be stacked in the field and covered with tarpaulin, or stored in an open shed with a good roof. In the dry farming areas, the bales may be left in the field in piles or scattered about for feeding during the winter. Sometimes baled hay is so stored in a feeding shed that the space it occupies is gradually taken over by the animals as the winter season progresses and the hay is consumed.

Farmers, researchers and manufacturers have gone a long way since the hay-harvesting days at the start of the century. Hay harvesting was a heavy, sweaty job then. Those were the days of much discussion and some research on the use of canvas hay caps, for covering legume hays while they cured in the shock; on curing hay on trucks; on artificial curing with heat; on baling hay for market, and on various practices for reducing labor in hay harvest. Those were the days of 30 million head of horses and mules, on farms, and in

Methods of Handling Hay, Specified Years

Year	Baled with		Chopped hay	Loose hay
	Stationary balers	Pickup balers		
	Percent	Percent	Percent	Percent
1918.....	24.3	75.7	
1939.....	12.0	2.5	85.5	
1944.....	13.2	13.6	1.7	71.5
1948 ¹	10.0	37.5	5.6	46.9
1951 ¹	5.0	56.7	7.5	30.8
1953 ²	4.0	66.0	8.0	22.0

¹ Breakdown between stationary and pickup baling estimated for 1948 and 1951.

² All 1953 estimates are preliminary.

cities, mines, etc.—a really large market for timothy and mixed hay of good quality. Stationary balers were used for getting it ready for hauling to market. In 1918 nearly a fourth of all hay was baled with stationary balers, mostly from stack or mow. Practically all the remainder was stacked or stored in mows as long loose hay.

Although pickup baling has been the primary answer to the efforts of researchers and experimenters to find a better and easier way of handling our hay crops, *chopping* of cured or semi-cured hay *has increased along with development of the field forage harvester*. More of the potential hay crop is put in silos. Barn driers with air blowing fans are being installed in places where the curing of hay often is a problem. Machines that will crush the stems of the coarser hay plants and thereby re-

duce the time required for sun drying are being tried out. Artificial curing by heat still is being experimented with. Improved rakes, blowers, and elevators speed up the slow job of haymaking and help to improve hay quality by lessening weather damage and loss of leaves.

Thus strides have been made. But men continue to search for more economical ways of handling just about the largest of all farm crops. The trend in use of more balers—of more hay baled—continues. The automatic-twine tie gave the movement great impetus by the mid 40's. But through it all, researchers and others continue to look for faster ways of handling hay . . . practices that will reduce damage from rains, and procedures for reducing spoilage and fire hazards when the hay is a little on the wet side when stored.

M. R. Cooper and
Paul E. Strickler

Prices of Farm Products

[Estimates of average prices received by farmers at local farm markets based on reports to the Bureau of Agricultural Economics. A average of reports covering the United States weighted according to relative importance of district and State]

Commodity	Average		Dec. 15, 1952	Nov. 15, 1953	Dec. 15, 1953	Effective parity price Dec. 15, 1953 ¹
	Base period price ¹	January 1947- Decem- ber 1949				
Basic commodities:						
Cotton American upland (pound)-----	cents	\$ 12.4	31.21	31.71	30.73	34.35
Wheat (bushel)-----	dollars	4.884	2.14	2.12	2.00	2.45
Rice (cwt.)-----	do	1.92	5.38	6.24	5.28	5.34
Corn (bushel)-----	do	4.642	1.64	1.60	1.33	1.41
Peanuts (pound)-----	cents	4.8	10.2	11.0	10.9	13.3
Designated nonbasic commodities:						
Potatoes (bushel)-----	dollars	\$.573	1.60	1.99	.916	.825
Butterfat in cream (pound)-----	cents	28.7	71.2	70.1	66.8	66.3
All milk, wholesale (100 lb.) ² -----	dollars	1.68	4.42	5.11	4.72	4.61
Wool (pound)-----	cents	21.0	46.0	53.0	52.1	58.4
Other nonbasic commodities:						
Barley (bushel)-----	dollars	.488	1.37	1.41	1.13	1.15
Cottonseed (ton)-----	do	25.90	71.60	68.50	53.40	53.00
Flaxseed (bushel)-----	do	1.62	5.64	3.75	3.58	3.66
Oats (bushel)-----	do	.317	.852	.842	.745	.767
Rye (bushel)-----	do	.605	1.82	1.73	1.17	1.20
Sorghum, grain (100 lb.)-----	do	1.21	2.53	2.84	2.18	2.21
Soybeans (bushel)-----	do	.996	2.84	2.75	2.60	2.81
Sweetpotatoes (bushel)-----	do	.964	2.36	3.62	2.32	2.46
Beef cattle (100 lb.)-----	do	7.54	20.20	19.00	14.70	14.80
All chickens (pound)-----	cents	11.0	29.3	26.6	23.6	22.4
Eggs (dozen)-----	do	21.5	46.6	46.6	49.7	48.5
Hogs (100 lb.)-----	dollars	7.26	21.90	16.10	20.00	22.80
Lambs (100 lb.)-----	do	8.19	21.90	19.50	17.20	17.30
Calves (100 lb.)-----	do	8.39	22.60	20.50	15.00	15.80
Oranges, on tree (box)-----	do	2.29	1.23	1.24	1.24	1.16
Apples (bushel)-----	do	.996	2.39	3.10	3.02	3.12
Hay, baled (ton)-----	do	11.87	22.40	26.40	22.00	23.00

¹ Adjusted base period prices 1910-14, based on 120-month average January 1943-December 1952 unless otherwise noted.

² Parity prices are computed under the provisions of title III, subtitle A, section 301 (a) of the Agricultural Adjustment Act of 1938 as amended by the Agricultural Acts of 1948 and 1949.

³ 60-month average, August 1909-July 1914 for all cotton.

⁴ 60-month average, August 1909-July 1914.

⁵ Adjust base period price 1910-14 derived from 10-season average prices 1943-52.

⁶ Prices received by farmers are estimates for the month.

⁷ Preliminary.

⁸ 10-season average 1919-28.

⁹ Transitional parity, 80 percent of parity price computed under formula in use prior to Jan. 1, 1950.

Economic Trends Affecting Agriculture

Year and month	Industrial production (1935-39=100) ¹	Total personal income payments (1935-39=100) ²	Average earnings of factory workers per worker (1910-14=100)	Wholesale prices of all commodities (1910-14=100) ³	Index numbers of prices paid by farmers (1910-14=100)			Index numbers of prices received by farmers (1910-14=100)			
					Commodities	Wage rates for hired farm labor ⁴	Commodities, interest, taxes and wage rates ⁵	Livestock and products			
								Dairy products	Poultry and eggs	Meat animals	All livestock
1910-14 average.....	58	-----	100	100	100	100	100	100	100	100	100
1925-29 average.....	98	-----	232	143	151	184	161	161	155	145	152
1935-39 average.....	100	100	199	118	124	121	125	119	108	117	115
1947-49 average.....	185	294	462	225	240	430	250	275	224	334	291
1950 average.....	200	330	518	232	246	425	256	247	181	340	278
1951 average.....	220	370	563	253	271	470	282	284	226	411	335
1952 average.....	219	393	592	251	273	503	287	302	203	358	307
1953 average.....	-----	-----	-----	-----	262	513	279	274	221	298	273
<i>1952</i>											
December.....	235	4.09	628	246	267	-----	281	309	221	291	280
<i>1953</i>											
January.....	236	409	622	247	267	514	284	296	218	303	281
February.....	240	409	620	246	264	-----	281	286	206	305	277
March.....	243	413	627	247	265	-----	282	277	216	301	274
April.....	241	412	622	246	264	508	280	264	218	299	270
May.....	240	415	624	247	264	-----	280	257	218	317	277
June.....	240	417	624	246	260	-----	277	254	213	299	267
July.....	232	419	⁶ 622	249	261	514	279	261	223	318	280
August.....	235	418	⁶ 623	248	262	-----	279	267	230	305	276
September.....	232	⁶ 417	619	249	259	-----	277	274	231	299	276
October.....	⁶ 231	419	625	248	258	515	276	283	236	273	267
November.....	228	-----	619	247	259	-----	277	289	225	267	263
December.....	-----	-----	-----	-----	260	-----	278	283	219	285	269

Index numbers of prices received by farmers (1910-14=100)

Year and month	Crops								All crops and live-stock	Parity ratio ⁷
	Food grains	Feed grains and hay	To-bacco	Cotton	Oil-bearing crops	Fruit	Truck crops	All crops		
1910-14 average.....	100	100	100	100	100	100	-----	100	100	100
1925-29 average.....	141	118	169	150	135	146	145	143	148	92
1935-39 average.....	94	95	172	87	113	95	95	99	107	86
1947-49 average.....	246	223	384	262	319	195	214	246	270	108
1950 average.....	224	187	402	280	276	200	185	232	256	100
1951 average.....	243	220	436	335	339	193	239	264	302	107
1952 average.....	244	227	432	309	296	195	254	267	258	100
1953 average.....	231	200	429	267	274	218	211	242	258	92
1952										
December.....	247	218	428	268	300	206	256	257	269	96
1953										
January.....	245	214	419	252	291	208	237	251	267	94
February.....	240	206	424	255	287	209	237	247	263	94
March.....	246	208	424	266	291	215	248	253	264	94
April.....	244	206	424	266	289	226	204	247	259	92
May.....	242	205	426	268	285	224	182	243	261	93
June.....	222	198	425	266	280	253	270	251	259	94
July.....	218	197	426	269	268	207	216	237	259	93
August.....	215	198	430	277	262	205	221	237	258	92
September.....	219	200	452	279	251	221	159	234	256	92
October.....	223	187	439	274	255	214	175	231	250	91
November.....	229	188	433	268	263	219	186	234	249	90
December.....	230	197	427	259	269	215	195	233	252	91

¹ Federal Reserve Board; represents output of mining and manufacturing; monthly data adjusted for seasonal variation.

² Computed from reports of the Department of Commerce; monthly data adjusted for seasonal variation.

³ Bureau of Labor Statistics.

⁴ Farm wage rates simple averages of quarterly data, seasonally adjusted.

⁵ Revised to reflect revisions in the interest and tax indexes. ⁶ Revised.

⁷ Ratio of index of prices received to index of prices paid, interest, taxes, and wage rates. This parity ratio will not necessarily be identical to a weighted average percent of parity for all farm products, largely because parity prices for some products are on a transitional basis. Revised to reflect revisions in the interest and tax indexes.

**90% of Parity for Peanut Growers
Who Cooperate On Acreage Allotments**

IN THE DECEMBER 15 Peanut Marketing Quota referendum, 94 percent of the 65,000 growers voting approved marketing quotas for 1954, 1955, and 1956. Quotas on peanuts have been in effect since 1949. The controlling legislation requires the Secretary of Agriculture to proclaim marketing quotas and hold a referendum regardless of the total supply of peanuts. However, since quotas have been approved for a 3-year period another referendum will not be necessary until the fall of 1956.

Price support will be available in 1954 at 90 percent of parity to growers who pick and thresh within their farm peanut acreage allotments.

Outlook Highlights

(Continued from page 4)

from the U. S. will fall below the 1952-53 total of 317 million bushels. In the first 5 months of this season, we exported 90 million bushels, 35 million less than in the same period last year.

About 834 million bushels of the 1,730 million bushel U. S. wheat supply are owned by the CCC or are under loan or purchase agreement. "Free" market supplies are fairly tight and some further advance in prices is expected.

Potatoes

Production of early potatoes for winter harvest is expected to be about a fourth smaller than last year. However, this crop provides only 3 to 4 percent of supplies for the January-March quarter. The late 1953 crop, which will provide the rest of the market supply, is 3 percent larger than last year.

Cotton

Cotton production prospects improved during November and the crop is now estimated at 16.3 million running bales (16.4 million 500-pound bales). Total supply is estimated at 21.9 million. With disappearance in 1953-54 expected to be about 12.3 million, the carryover next August 1 probably will be 9.6 million bales. About 6.5 million bales are expected to be held by CCC under the price support program.

Winter Burns Chiefly Involve Farm Youth

(Continued from page 8)

About 65 percent of the fatalities involved persons under 25 years of age, and 44 percent were under 5 years of age. By seasons of the year, the winter months claimed about 40 percent of the fatalities; autumn, 29 percent. Fewest fatalities occurred in the summer.

The experience in this Southeastern State may be typical of other Southern States. Certainly this loss of life on farms and in rural areas teaches us that young children should not be left alone, especially if stoves are burning or if there is fire in a fireplace with no screen around it. This experience also emphasizes the hazard associated with the misuse of kerosene. Perhaps a third of these fatalities would have been prevented if two precautions had been taken: (1) If small children had been safeguarded against open fires and stoves, and (2) if kerosene had not been used to quicken fires.

John D. Rush

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